

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



March 10, 2008

EnerVest Operating, L.L.C.
Attn: Mr. Ronnie L. Young
1001 Fannin St, Suite 800
Houston, TX 77002-6707

Administrative Order SD-200625-A

Re: **Meyer B 27 Well No. 3**
API No. 30-025-38763
Unit D, Section 27, Twsp 20S, Range 37E
Lea County

Dear Mr. Young:

Reference is made to the following:

(a) your application (**administrative application reference No. pKVR 08-04329723**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on February 11, 2008, and

(b) the Division's records pertinent to your request, including the Division's records in connection with Administrative Order SD-200625.

EnerVest Operating, L.L.C. (EnerVest) has requested an amendment to Administrative Order SD-200625, issued on September 13, 2006 (the previous order), to authorize simultaneous dedication of its proposed Meyer B 27 Well No. 3 (API No. 30-025-38763) [the proposed well], along with the following existing gas wells (all in Section 27 of Township 20 South, Range 37 East, NMPM, in Lea County, New Mexico):

| | | | |
|--------------|----------------------|---------------------|--------|
| Meyer B27 #1 | API No. 30-025-06271 | 1980 FNL & 660 FWL | Unit E |
| Meyer B27 #2 | API No. 30-025-38139 | 960 FNL & 1980 FWEL | Unit C |

to an existing, non-standard 160-acre gas spacing unit in Eumont-Yates/Seven Rivers/Queen Gas Pool (76480), consisting of the NW/4 of Section 27, Township 20 South, Range 37 East, N.M.P.M., in Lea County, New Mexico.



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The proposed well will be drilled at a standard gas well location 660 feet from the North line and 660 feet from the West line (Unit D) of Section 27. Division approval of simultaneous dedication is required because Rule 3(C) of the Special Pool Rules for the Eumont Gas Pool, as provided in Order R-8170-P, adopted December 14, 2001, prohibits the dedication of more than one gas well per 160 acres in that pool. Simultaneous dedication of this unit to the two existing gas wells was approved by the previous order.

Your application has been duly filed under the provisions of Division Rules 104.D(3) and 1210.A, and Rule 4(B) of the Special Pool Rules for the Eumont Gas Pool.

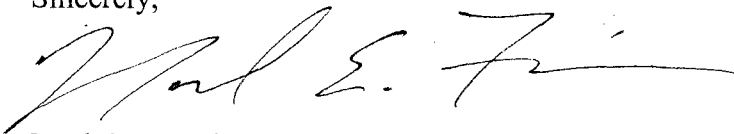
It is our understanding that you are seeking simultaneous dedication of this unit to the four wells described for geologic reasons, in order to prevent waste and maximize production from this unit. As required by Rule 4(B) of the applicable pool rules, you have furnished evidence to support your conclusion that the granting of this application will prevent waste and will not impair correlative rights.

We also understand that you have given due notice of this application to all "affected persons," as defined in Rule 1210.A(2)(a), in all spacing units in the Eumont adjoining the subject unit.

Pursuant to the provisions of Division Rule 104.D(3) and Rule 4(B) of the Special Pool Rules for the Eumont Gas Pool, the above-described simultaneous dedication is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', with a stylized flourish at the end.

Mark E. Fesmire, P.E.

Director

MEF/db

cc: New Mexico Oil Conservation Division - Hobbs
United States Bureau of Land Management - Carlsbad